

RECORDATION NO.

11197-6
FILED

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AUG 20 '04 1-55 PM
SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

August 17, 2004

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Re: PRR - L515

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of a Memorandum of Sublease and Assignment, dated August 12, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board/Commission under Recordation Number 11197.

The names and addresses of the parties to the enclosed document are:

| | |
|------------------------------|--|
| Sublessor/ Assignor: | Consolidated Rail Corporation 1000 Howard Boulevard Fourth Floor Mt. Laurel, NJ 08054 |
| Sublessee: | PRR Newco, Inc. 110 Franklin Road, S.E. Roanoke, VA 24042 |
| Guarantor: | Norfolk Southern Railway Company 110 Franklin Road, S.E. Roanoke, VA 24042 |
| [Senior Lessor/ Assignee: | Wells Fargo Bank Northwest] |

Mr. Vernon A. Williams
August 17, 2004
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A description of the railroad equipment covered by the enclosed document is:

11 locomotives within the series PRR 1426– PRR 1436.

A short summary of the document to appear in the index follows:

Memorandum of Sublease and Assignment

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,


Robert W. Alvord

RWA/anm
Enclosures

RECORDATION NO.

11197-9 FILED

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1-55 PM

MEMORANDUM OF SUBLEASE AND ASSIGNMENT PRR-L515, by ~~SURFACE~~ TRANSPORTATION BOARD

CONSOLIDATED RAIL CORPORATION ("Conrail")
1000 Howard Boulevard, Fourth Floor
Mt. Laurel, New Jersey 08054

PRR NEWCO, INC. (the "Company")
110 Franklin Road, S.E.
Roanoke, Virginia 24042

and

NORFOLK SOUTHERN RAILWAY COMPANY (the "Railroad")
110 Franklin Road, S.E.
Roanoke, Virginia 24042

Conrail is leasing certain units of railroad equipment pursuant to the agreement identified in Schedule A hereto as the "Senior Lease" with the party named in Schedule A hereto as the "Senior Lessor," which agreement was recorded with the Interstate Commerce Commission and assigned the recordation number shown on said Schedule A.

The parties hereto hereby wish to evidence for the public record the following transactions with respect to such units of the railroad equipment covered by the above-named agreements as are listed in Schedule B hereto:

1. The Sublease of Railroad Equipment PRR-L515 between Conrail, sublessor, and the Company, sublessee.
2. The assumption of the obligations of the Company as sublessee under the above-named sublease by the Railroad, pursuant to the Assumption Agreement PRR-L515 by the Railroad in favor of Conrail.
3. The assignment by Conrail, assignor, of the sublease named in item 1 to the Senior Lessor, assignee, as security for Conrail's obligations under the Senior Lease, pursuant to the Assignment of Sublease PRR-L515 by Conrail in favor of the Senior Lessor.
4. The assignment by the Railroad, assignor, of its subleasehold interest under sublease named in item 1 to CSX Transportation, Inc., assignee, pursuant to the Cross-Assignment of Lease and Agreement among such parties and Conrail, as security for the Railroad's obligations for reimbursement thereunder.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers thereunto duly authorized:

CONSOLIDATED RAIL CORPORATION

by ..*Joseph...Rogers*....

PRR NEWCO, INC

by ..*William J. Perry*..

NORFOLK SOUTHERN RAILWAY COMPANY

by ..*William J. Perry*..

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

SS.:

On this 12th day of August, 2004, before me personally appeared **Joseph Rogers**, to me personally known, who, by me being duly sworn, says that he is **CFO & Treasurer** of CONSOLIDATED RAIL CORPORATION, and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

.....*Sara A. Misthal*.....
Notary Public

My commission expires

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

SS.:

SARA A. MISTHAL
NOTARY PUBLIC, State of New York
No. 01M16100347
Qualified in Queens County
Commission Expires Oct. 14, 2007

On this 12th day of August, 2004, before me personally appeared **William J. Romig**, to me personally known, who, by me being duly sworn, says that he is **V.P. and Treasurer** of PRR NEWCO, INC., and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

.....*Sara A. Misthal*.....
Notary Public

My commission expires

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

SS.:

SARA A. MISTHAL
NOTARY PUBLIC, State of New York
No. 01M16100347
Qualified in Queens County
Commission Expires Oct. 14, 2007

On this 12th day of August, 2004, before me personally appeared **William J. Romig**, to me personally known, who, by me being duly sworn, says that he is **V.P. and Treasurer** of NORFOLK SOUTHERN RAILWAY COMPANY, and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

.....*Sara A. Misthal*.....
Notary Public

My commission expires

SARA A. MISTHAL
NOTARY PUBLIC, State of New York
No. 01M16100347
Qualified in Queens County
Commission Expires Oct. 14, 2007

SCHEDULE A
SENIOR TRANSACTION L515

Senior Lease:

Lease of Railroad Equipment dated as of February 1, 1979, as amended, between First Security Bank of Utah, National Association (succeeded by Wells Fargo Bank Northwest, National Association), not in its individual capacity but solely as owner trustee, and Consolidated Rail Corporation.

Recorded with the Interstate Commerce Commission on December 14, 1979, and assigned recordation number 11197.

Senior Lessor:

Wells Fargo Bank Northwest, National Association, not in its individual capacity but solely as owner trustee

Schedule "B" Equipment

Lease L515 (PRR)

| Count | Aloc | Original UnitNum | Current Unit Number |
|-----------------|------|---------------------|------------------------|
| GP15-1 LOCOS | | | |
| 1 | PRR | 001652 | 1426 |
| 2 | PRR | 001654 | 1427 |
| 3 | PRR | 001656 | 1428 |
| 4 | PRR | 001660 | 1429 |
| 5 | PRR | 001661 | 1430 |
| 6 | PRR | 001662 | 1431 |
| 7 | PRR | 001663 | 1432 |
| 8 | PRR | 001665 | 1433 |
| 9 | PRR | 001666 | 1434 |
| 10 | PRR | 001668 | 1435 |
| 11 | PRR | 001670 | 1436 |
| 11 GP15-1 LOCOS | | | |